

RECORDATION NO. 26643 FILED

OCT 30 '06

3-10 PM

SURFACE TRANSPORTATION BOARD



FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 500
Rosemont, IL 60018-4214

VIA UPS 2nd DAY AIR

October 26, 2006

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement dated October 11, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Gulf Chemical & Metallurgical Corporation
302 Midway Road
Freeport, TX 77542

A description of the railroad equipment covered by the enclosed document is nineteen (19) 2494 cubic foot gondola cars with 5' sides, with NDYX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Very truly yours,

Marcia Dunne
Rail Documentation Specialist

Enclosures
(GUCH004)

OCT 3 0 '06

3-10 PM

ASSGN. NO.: GUCH004

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 11th day of October, 2006, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Gulf Chemical & Metallurgical Corporation ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of October 11, 2006, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 4 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 1, 2006, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard F. SeymourName: RICHARD F. SEYMOUR
Vice President Sales & MarketingBy: Susan Grokulskey

Title: _____

Name: SUSAN GROKULSKYTitle: MGR. OF DOCUMENTATION Executed on this 11th day of October, 2006.

[CORPORATE SEAL]

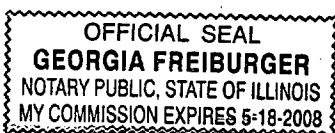
STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 11th day of October, 2006.

Georgia Freiburger
Notary Public

My Commission Expires:

5-2008
(Notary Public)

LESSEE:

GULF CHEMICAL & METALLURGICAL CORPORATION

ATTEST:

By: Kevin H. Jones

Name: Kevin H. Jones

By: David H. Arthur Title: President & CEO

Name: David H. Arthur

Title: COO

Executed on this 3RD day of October, 2006.

[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Brazoria

I, Janette Randon, a Notary Public of the County and State aforesaid, certify that Kevin H. Jones personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 3RD day of October, 2006.

Commission Expires:

August 9, 2008
(Notary Public)



Janette Randon
Notary Public

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Nineteen (19)

DESCRIPTION OF CARS: 52'6" gondola cars with 5' sides, 2494 cu. ft. capacity, loading to
263,000 GWR.

CAR NUMBERS:

NDYX 316124
NDYX 316129
NDYX 316131
NDYX 316138
NDYX 316142
NDYX 316145
NDYX 316146
NDYX 316150
NDYX 316158
NDYX 316161
NDYX 316164
NDYX 316165
NDYX 316172
NDYX 316216
NDYX 316217
NDYX 316218
NDYX 316227
NDYX 316231
NDYX 316235
Count: 19

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 11th day of October, 2006, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Gulf Chemical & Metallurgical Corporation ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of October 11, 2006, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 4 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 1, 2006, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard E. Seymour

Name: RICHARD E. SEYMOUR
Vice President Sales & Marketing

Title: _____

ATTEST:

By: Susan Gokulsky

Name: SUSAN GOKULSKY

Title: MR. OF DOCUMENTATION Executed on this 11th day of October, 2006.

[CORPORATE SEAL]

STATE OF

ILLINOIS

COUNTY OF

COOK

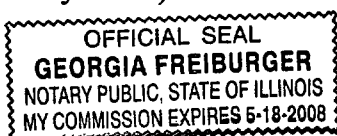
I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD E. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 11th day of October, 2006

Georgia Freiburger
Notary Public

My Commission Expires:

5-2008
(Notary Public)



LESSEE:

GULF CHEMICAL & METALLURGICAL CORPORATION

ATTEST:

By: Kevin H. Jones

Name: Kevin H. Jones

By: David H. Arthur Title: President & CEO

Name: David H. Arthur

Title: COO

Executed on this 3RD day of October, 2006.

[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Brazoria

I, Janette Randon, a Notary Public of the County and State aforesaid, certify that Kevin H. Jones personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 3RD day of October, 2006.

Commission Expires:

August 9, 2008
(Notary Public)



Janette Randon
Notary Public

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Nineteen (19)

DESCRIPTION OF CARS: 52'6" gondola cars with 5' sides, 2494 cu. ft. capacity, loading to
263,000 GWR.

CAR NUMBERS:

NDYX	316124
NDYX	316129
NDYX	316131
NDYX	316138
NDYX	316142
NDYX	316145
NDYX	316146
NDYX	316150
NDYX	316158
NDYX	316161
NDYX	316164
NDYX	316165
NDYX	316172
NDYX	316216
NDYX	316217
NDYX	316218
NDYX	316227
NDYX	316231
NDYX	316235
Count:	19